BILL # HB 2076 TITLE: vehicle registration; DUI (NOW: building

permits; accident potential zones)

**SPONSOR:** Nelson **STATUS:** House Engrossed

**PREPARED BY:** Leatta McLaughlin

## FISCAL ANALYSIS

### **Description**

This bill prohibits a political subdivision from approving building permits for new construction or additions/alterations to existing buildings within Luke Air Force Base's Accident Potential Zones (APZs).

#### **Estimated Impact**

The fiscal impact of the bill will depend on how it affects property values within and near the APZs. The current value of properties located within the zones and surrounding the zones is unknown.

The restrictions on new construction and improvements on existing properties contained in the provisions of this bill could potentially reduce the value of properties within the APZs. Alternatively, it is possible that properties surrounding the zones might potentially increase in value, as they would not be subject to the same restrictions as the property located within the zones. However, it is unclear to what extent property values might change due to the provisions of this bill.

Proposition 207, a voter-initiated measure titled the Private Property Rights Protection Act, was passed on November 7, 2006. The measure requires a property owner to be compensated, including reasonable attorney fees, if the value of the person's property is reduced by the enactment of a land use law, such as this bill. If an owner were to demand specific compensation within 3 years of the possible enactment of this bill, the government would have 90 days to rescind the law change or it must reach an agreement with the owner on a compensation amount. If the bill reduces the value of properties currently within the APZs, the owners could potentially be compensated in accordance with Proposition 207, which would have an undetermined fiscal impact to the state. This proposition, however, does not apply to land use laws that limit or prohibit a use or division of real property for the protection of the public's health and safety. Depending on how this bill is interpreted, prohibiting construction within the APZs might be viewed as a protection of the public's health and safety, and therefore exempt from the provisions of Proposition 207.

### Analysis

The bill prohibits the approval of building permits for new construction or additions/alterations that would increase the size of existing buildings by more than 50% within Luke Air Force Base's APZs, which are located in Glendale and Gila Bend.

Greater Phoenix Leadership, Inc. has provided information on the number of acres and structures located within the APZs in Glendale and Gila Bend, which is summarized in *Table 1* below. They, however, did not compute the assessed valuation of these areas. Of the total 3,894 acres located within the APZs at the Luke Air Force Base Auxiliary Field One, 614 acres are federal land, 1,040 acres are state land, and 2,240 acres are private land. All of the 201 existing structures are homes located on private land. Of the total 1,686 acres located within the APZs at the Gila Bend Air Force Auxiliary Field, 306 acres are federal land, 20 acres are state land, and 1,360 acres are private land. There is one structure, which is a home located on private land.

The assessed valuation of the properties located within or surrounding the APZs could be determined by reviewing the value of each individual parcel through the Maricopa County Assessors Office. However, even if the total current assessed valuation were determined, it is unknown to what extent the provisions of this bill might reduce or increase that value, and how many property owners might pursue compensation from the state under Proposition 207. With the growth in Glendale and the potential growth in Gila Bend, this could result in the loss of revenues from the issuance of building permits. Along

with prohibiting new construction permits within the APZs, the bill would also not allow the 202 existing homes to increase in size by more than 50% or to be taller than its highest existing point.

Table 1 No. of Acres and Homes Located on the Accident Potential Zones				
	Luke Auxiliary Field #1		Gila Bend Auxiliary Field	
	<u>Acres</u>	<b>Homes</b>	<u>Acres</u>	<b>Homes</b>
Clear Zone	933	0	158	0
APZ One	680	3	938	1
APZ Two	2,281	<u>198</u>	<u>590</u>	<u>0</u>
TOTAL	3,894	201	1,686	1

# **Local Government Impact**

The local government impact cannot be determined. The bill would reduce the number of new construction and additions/alterations building permits in the APZs.

3/23/07